

DEPARTMENT OF SOCIAL SERVICES

August 2, 1999

ALL-COUNTY LETTER NO. 99-45

TO: ALL COUNTY WELFARE DIRECTORS
ALL DISTRICT ATTORNEYS
ALL TITLE IV AGENCIES

REASON FOR THIS TRANSMITTAL

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

SUBJECT: RECORDS RETENTION

THIS LETTER SUPERSEDES ALL-COUNTY LETTER NO. 98-38.

This All-County Letter is a reminder of the legal requirements for records retention and the identification of certain records which require extended retention periods.

A. **Public Assistance Records**

The California Department of Social Services Manual of Policies and Procedures (MPP) sets forth various retention periods for public assistance records. Generally, the regulations require that all public assistance (23-353), social service (10-119.2), and administrative claiming (25-815.38) records and their supporting documents be retained for three years from the date the State submits the last expenditure report to the Federal Department of Health and Human Services (HHS). Case record material must be retained for three years after the date the last State expenditure report has been made to HHS for the period the records were last used to document eligibility. MPP Sections 23-353 through 23-356 set forth the requirements for certain records which have retention periods which vary from the general rule. While the regulations must be reviewed for a complete listing, the most common occurrences are listed below. Some records require retention periods of more than three years. These include:

1. Records and their supporting documents must be retained when there is an open Federal or State audit. This includes those Federal audits in progress and pending issuance of final reports listed on Attachment I, those unresolved Federal audits listed on Attachment II, and the State Controller's Office audits listed on Attachment IV.* Counties are to inform contractors providing social services to retain all necessary records for audits which have not been resolved/closed.

* Records retention periods vary among unresolved State audits. See special instructions at the beginning each category of State Controller's Office audits listed in Attachment IV.

2. Case records in which criminal or civil litigation was involved are to be retained for three years after the final claim is submitted for Federal reimbursement. These records include those which were used in the determination of eligibility, including denials, for the amount of retroactive benefits. Other records in the case must be retained in accordance with the requirements for public assistance records specified elsewhere in this letter. Attachment V lists court cases involving the California Department of Social Services (CDSS) which require the extended retention period.
3. The Form ABCD 278L, List of Authorizations to Start, Change, or Stop Aid Payments (or its equivalent), which bears the original initials or the original signature of the delegated county employee who authorized the specific action is identified as one of the records and supporting documents which must be retained in accordance with the retention period for the case record material.
4. The County shall retain Form ABCD 278L or its equivalent for a period of 10 years following closure in all cases where notification to do so by the Child Support Agency has been received.
5. County welfare warrants must be retained for five years.
Warrant registers must be retained for five years.*
6. While not required by regulation, it is desirable that those AFDC/CalWORKs case records, and their supporting documents, identified by CDSS as federal sample quality control cases containing an error be retained until the federal sanction process is resolved for the applicable federal fiscal year. See Attachment VI.
7. Records necessary to sustain an intentional program violation disqualification should be retained through the life of the individuals.

Other records need not be retained in the case file as long as sufficient records/verifications are retained to meet federal quality control requirements for the AFDC/CalWORKs Program (AFDC Quality Control Manual Section 3000) and for the Food Stamp Program (FNS Quality Control Handbook 310, Chapter 5). Listed below are examples of those documents which may be purged from the case records:

1. Documents or evidence (photocopies) such as birth certificates and divorce papers provided by the recipient to establish eligibility may be purged (MPP Section 48-001.112) provided that there is a written record of the type of evidence and its pertinent content in conformance with Quality Control (QC) requirements. This notation would normally be made in the case narrative and shall also contain the following detail:
 - A. The type and source of document, its date (processed, signed, received or sent), any identification/serial numbers, and the volume and page number, if applicable.
 - B. Where the original document is located, if appropriate, such as a government office.

* AB 3472 amends the 15 year retention period for warrant registers (AB 3472, Chapter 872, Section 53)

C. Any other pertinent information for Quality Control purposes from the document.

NOTE: Original documents received should have been returned to the applicant/recipient. The county may choose to retain essential and non-essential documents in the case records in lieu of documentation and purging discussed above. Retention would assure that all necessary information is in the case file.

2. Documents which were never used to document eligibility may be destroyed provided they have no potential of being used to take action on a case, including good cause determination or fair hearing process. For example, a note from an applicant canceling a meeting may be needed as evidence, should you determine a denial is appropriate based on noncooperation. However, once the eligibility determination is made and documented the note would be of no value and may be destroyed.
3. Records which were used to document eligibility may be destroyed provided three years have passed since the last state expenditure report for that period has been submitted to HHS. These records must be retained longer when there are unresolved audits* or court cases.
4. While not required by regulation, it is desirable that those cases identified by CDSS as Federal sample quality control cases containing an error be retained until the Federal sanction process is resolved for the applicable Federal fiscal year. See Attachment VI.

Attachment III lists closed audit records which may be flagged for destruction.

B. Food Stamp Records

There are two separate retention requirements for Food Stamp Program records. First, all program records are to be retained for a period of three years from the month of origin. Second, all fiscal records and accountable documents are to be retained for three years from the date of fiscal or administrative closure. This means that records such as, but not limited to transaction receipts, master issuance files, records-for-issuance for each month, authorization documents, cashier's daily reports, Notices of Change, Form FNS-250s (Food Coupon Accountability Report), Household Issuance Record cards, and tally sheets shall be retained for three years. However, any documents or records which are involved in any billing or claim shall be retained for three years from the date of fiscal or administrative closure. For example, FNS-250s that do not result in a billing against the state agency shall be retained three years from the month of origin. But, FNS-250s that result in a billing must be retained for three years from the date that obligations for or against the Federal Government have been liquidated. Also, any records or documents that are involved in a fiscal audit*

* See footnote on page 1.

or investigation must be retained for three years from the date the audit or investigation is closed. To illustrate this point further, if an FNS-250 that originated prior to April 1992 had fiscal liabilities that were not settled until July 1994, that FNS-250 cannot be destroyed until August 1997. But, on the other hand, if the same FNS-250 had no fiscal involvement, it could be destroyed as of May 1995. Attachment III lists closed audit records which may be flagged for destruction.

Some records require retention periods of more than three years. These include:

1. Food Stamp (FS) program case records that are a part of an assistance case record must be retained in accordance with MPP Chapter 23-350. (See Part A of this letter.)
2. Records and their supporting documents for which there is an open Federal or State audit must be retained. This includes those federal audits in progress and pending issuance of final reports and the unresolved audits listed on Attachments I, II, and IV.
3. Case records in which criminal or civil litigation was involved are to be retained for three years after the final claim is submitted for federal reimbursement. Records which must be retained include those documents which were used in the determination of eligibility (including denials) and those used to determine the amount paid as retroactive benefits. Other documents in the case record must be retained in accordance with the requirements for public assistance records specified elsewhere in this letter. Attachment V lists court cases involving CDSS which require the extended retention period.
4. While not required by regulation, it is desirable that those FS program case records and their supporting documents, which have been identified by CDSS as federal sample quality control cases containing an error, should be retained until the federal sanction process is resolved for the applicable Federal fiscal year. See Attachment VI.
5. Records necessary to sustain an intentional program violation disqualification should be retained through the life of the individuals.

C. Title IV-D Child Support Record

Federal regulation 45 CFR 74.53 requires records to be retained for three years from the starting date specified in 45 CFR 74.22. That regulation states that the starting date for the retention of (Title IV-D) records begins on the day that the grantee (CDSS) submits its expenditure report for the last quarter of the Federal fiscal year. In other words, Federal regulations require closed case records to be retained for three years after the date that the last quarter's State expenditure report is made to the Federal Government for the Federal fiscal year that the records were closed. More simply, case records must be retained for a maximum of four years, four months (the normal period of time that would occur between

the date a case is closed and the date CDSS would submit its last quarter's expenditure report for the Federal fiscal year that the case was closed).

Federal regulation 45 CFR 74.53 sets forth the requirements for certain records which have retention requirements which vary from this general rule. Some records require a longer retention period. These include:

1. Records and their supporting documentation must be retained when they are the subject of an open Federal or State audit.
2. Records and their supporting documentation must be retained when they are the subject of pending civil litigation or when court orders require extended retention periods.

It should be noted that the Federal Government has authority to audit records, regardless of their age, for as long as they are retained.

The provisions of this letter are for the fiscal purposes of CDSS and do not authorize the destruction of those records which have a longer retention period required by other laws/regulations, court cases, or unresolved audits.*

The retention periods are the same for paper and microfilm records. For conditions on the substitution of microfilm for paper records please refer to ACL 85-34.

Questions or comments regarding records retention involving court cases for specific programs should be addressed to the following persons representing those programs:

CalWORKs/Eligibility	Vince Toolan	(916) 654-1808
Food Stamps	Maria Tarango	(916) 654-1883
GAIN/Welfare To Work	Walter Johnson	(916) 657-5039
Child Support	Mike Ferrell	(916) 654-1226

All questions or comments regarding records retention for audits contained in Attachments I-III, should be directed to Jerry Demorest of Information Securities & Management Systems Branch (916) 657-3659. All questions and comments regarding records retention for audits contained in Attachment IV, should be directed to the Fiscal Policy Bureau at (916) 657-3440.

For general records retention questions, contact Shirley Trice at (916) 657-1912, or by e-mail at strice@dss.ca.gov.

**Original Signed By
Jarvio A. Grevious, on 8/2/99**

JARVIO A. GREVIOUS
Deputy Director
Administration Division

c: CWDA
Attachments

* See footnote on page 1.

FEDERAL AUDITS PENDING RELEASE OF FINAL AUDIT REPORTS

Programs Administered by the
U. S. Department of Health and Human Services

ID Number	Description	Audit/Review Period (1)	Status	State/County Agencies Affected	Records Required to Be Retained
PUBLIC ASSISTANCE RECORDS:					
HHS-OIG CA-09-99- -00052	* Compliance Audit of Title IV-E Protections For Wards Placed in Foster Care	09/01/98- 09/30/98	b	CDSS; and 10 Counties (see Attachment IA)	A,B, & G
GAO 116025	* Study of Probation Dept. Placements in IV-E Foster Care	07/01/98 12/31/98	b	CDSS; and Los Angeles and San Bernardino Counties	A,B, & G
Region IX ACF	* Cost Validation Review (CVR);Title IV-E Claims for Out-Of-State Foster Care Placements	10/01/98 12/31/98	b	Alameda, Los Angeles, and San Bernardino Counties	C
Region IX ACF	* Cost Validation Review (CVR);Title IV-D Systems Costs Claimed After SACSS Shutdown	11/20/97 12/31/98	b	CDSS, HWDC, and All Counties	C & D
OCSE CA-98-AC1	Financial Audit of Title IV-D Pgm. Admin Costs	10/01/94- 09/30/96	c	Sacramento County	C & K

- (1) If a single date is listed, it will be the date of the audit report.
- A Case records selected for audit/review; audit-related materials (e.g., county policy, procedures, correspondence, memoranda, etc. pertinent to the audit/review).
- B Pertinent Assistance Claims; supporting documentation; audit related materials.
- C Pertinent Administrative Expense Claims, supporting documentation and audit related materials.
- D Pertinent ADP systems design, documentation and approvals: supporting documentation for ADP system-related costs claimed; audit related materials.
- G Pertinent Foster Care Program Reports; supporting documentation and audit related materials.
- K Fiscal/financial claims, reports, records, contracts, agreements, etc., which pertain to the audit, supporting documentation and audit-related materials
- b Entrance conference completed; Field work in progress.
- c Field work and Exit completed; Draft report writing in progress.
- * New since ACL 98-38.

FEDERAL AUDITS PENDING RELEASE OF FINAL AUDIT REPORTS

Programs Administered by the
U.S. Department of Health and Human Services and
the U.S. Department of Agriculture

ID Number	Description	Audit/Review Period (1)	Status	State/County Agencies Affected	Records Required to Be Retained
PUBLIC ASSISTANCE RECORDS:					
OCSE	Close-Out Audit; Statewide Automated Child Support System; (SACSS) Project	07/01/89- 12/31/98	b	CDSS; and All Counties	C & D
HHS-OIG A-09-98- -00071	Financial Audit Of California s Foster Family Agency(FFA)Costs	10/01/96- 09/30/97	e	CDSS; and 6 FFA s	B,C & G
FOOD STAMP PROGRAM (FSP) RECORDS:					
USDA-OIG * 27099- -11-SF	Compliance Audit of California s Optional Food Stamp Program	10/01/97 12/31/98	e	CDSS; and All Counties	E

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- (1) If a single date is listed, it will be the date of the audit report.
- B Pertinent Assistance Claims; supporting documentation; audit-related materials.
- C Pertinent Administrative Expense Claims; supporting documentation and audit- related materials.
- D Pertinent ADP systems design, documentation and approvals: supporting documentation for ADP system-related costs claimed; audit related materials.
- E Pertinent Food Stamp Program reports(e.g., FNS 46, 209, 250, 259, etc.); supporting documentation; audit-related materials
- G Pertinent Foster Care Program Reports; supporting documentation and audit related materials.
- b Entrance conference completed; field work in progress.
- e Final report writing in progress.
- * New since ACL 98-38

COMPLIANCE AUDIT OF TITLE IV-E PROTECTIONS FOR
WARDS PLACED IN FOSTER CARE
CA-09-99-00052

Alameda
Fresno
Los Angeles
Riverside
Sacramento
San Bernardino
San Diego
San Joaquin
Santa Clara
Tulare

FEDERAL AUDITS: FINAL AUDIT REPORTS ISSUED

Programs Administered by the
U.S. Department of Health and Human Services

ID		Audit/Review		State/County		Records
Number	Description	Period (1)	Status	Agencies Affected	Exception Amount (2)	Required to Be Retained
PUBLIC ASSISTANCE RECORDS:						
HHS-OIG A-09-96- 00082	Audit of CA s Rate Setting Methodology For Foster Family Agencies	01/01/95- 12/31/95	t	All Counties	Programmatic Exceptions Only	B & K
HHS-OIG A-09-96- 00066	Financial Audit of CA s Title IV-E Training & Adm Costs	07/01/94- 12/31/95	j	All Counties	\$ 9,449,053	C
HHS-OIG A-09-96- 00071	Audit of CA s Foster Family Agency Claims	10/01/91- 09/30/95	j	15 Counties (See Attachment IIA)	\$15,693,626	A & B
HHS- OCSE CA-95 PR/PM	Pgm. Results/ Performance Measurement of CA s Child Support Enforcement Pgm.	04/01/94- 03/31/95	t	All Counties	Programmatic Exceptions Only	A & F

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- (1) If a single date is listed, it will be the date of the audit report.
- (2) County and State total of disallowed Federal funds identified in the final audit report; County/State share and grand total may change as a result of appeal(s).
- A Case records selected for audit/review; audit-related materials (e.g., county policy, procedures, correspondence, memoranda, etc. pertinent to the audit/review).
- B Pertinent Assistance Claims; supporting documentation; audit-related materials.
- C Pertinent Administrative Expense Claims, supporting documentation and audit related materials.
- F Pertinent Child Support Program reports(e.g., CS 800 & 820 Series, etc.); supporting documentation; audit related materials.
- K Fiscal/financial claims, reports, contracts, agreements, records, etc. which pertain to the audit; supporting documentation; audit related materials.
- j Appeal filed. DAB has granted ACF time to exhaust opportunities to settle appeal issues with CDSS.
- t Other: Region IX ACF will follow-up with CA; Oversee audit findings resolution process.

FEDERAL AUDITS: FINAL AUDIT REPORTS ISSUED

Programs Administered by the
U.S. Department of Health and Human Services and
the U.S. Department of Agriculture

ID		Audit/Review		State/County		Records
Number	Description	Period (1)	Status	Agencies Affected	Exception Amount (2)	Required to Be Retained
PUBLIC ASSISTANCE RECORDS:						
HHS- OIG-A- 09-95- 00056	Financial Audit of Title IV-E Training Costs	04/01/92- 03/31/95	f	CDSS and Los Angeles DCFS	\$ 3,934,717	C & K
HHS- OIG-A- 09-01- 00086	Financial Audit of California s Foster Care Program Pmts.	10/01/88- 09/30/91	f	Los Angeles Marin Riverside San Bernardino San Diego Santa Clara	\$51,400,000	A & B
HHS- OCSE CA-88 /89IR	Review of Interest Income Earned From CSEP Collections	10/01/81 - 03/31/89	t	12 Counties (See Attachment IIC)	\$10,887,307	F
FOOD STAMP PROGRAM (FSP) RECORDS:						
WR-FNS *	State Agency Operations Review (SAOR) FFY 1998	10/01/97 09/30/98	s	8 Counties (see Attachment IIB)	\$ NA	A & E

- (1) If a single date is listed, it will be the date of the audit report.
- (2) County and State total of disallowed Federal funds identified in the final audit report; County/State share and grand total may change as a result of appeal(s).
 - A Case records selected for audit/review; audit-related materials (e.g., county policy, procedures, correspondence, memoranda, etc. pertinent to the audit/review).
 - B Pertinent Assistance Claims; supporting documentation; audit-related materials.
 - C Pertinent Administrative Expense Claims, supporting documentation and audit related materials.
 - E Pertinent Food Stamp Program reports (e.g., FNS 46, 209, 250, 259, etc.); supporting documentation; audit-related materials
 - F Pertinent Child Support Program reports (e.g., CS 800 & 820 Series, etc.); supporting documentation; audit related materials.
 - K Fiscal/financial claims, reports, contracts, agreements, records, etc. which pertain to the audit; supporting documentation; audit related materials.
 - f Final report released; decision letter pending.
 - s CDSS & Counties are implementing corrective action to resolve report findings.
 - t Settlement negotiations in process.
 - * New since ACL 98-38

AUDIT OF CALIFORNIA S
FOSTER FAMILY AGENCY CLAIMS
A-09-96-00071

Alameda
Butte
El Dorado
Kern
Los Angeles
Orange
Sacramento
San Bernardino
San Diego
San Francisco
San Joaquin
San Luis Obispo
Santa Clara
Shasta
Stanislaus

Western Region-Food and Nutrition Service (WR-FNS)
Food Stamp Program
California State Agency Operations Review (SAOR) For FFY 1998

Fresno (Report Issued In 5/98)
Los Angeles (Report Issued In 8/98)
Merced (Report Issued In 7/98)
San Bernardino (Report Issued In 11/98)
San Diego (Report Issued In 3/99)
San Francisco (Report Issued In 4/98)
San Joaquin (Report issued In 6/98)
Sacramento (Report Issued In 6/98)

CA-88-IR/CA-89-IR

COUNTIES WITH CASES IN THE FSA-OCSE REVIEW OF
INTEREST/INVESTMENT INCOME EARNED ON
CHILD SUPPORT COLLECTIONS/10/01/81 THROUGH 03/31/89

<u>County</u>	<u>Federal Funds Questioned*</u>
Alameda	\$ 706,269
Sacramento	216,283
San Francisco	685,677
Santa Clara	1,403,525
Orange	322,418
San Diego	1,674,826
Los Angeles	1,954,184
Contra Costa	219,552
Riverside	1,383,386
San Bernardino	1,139,511
Fresno	516,648
Ventura	665,028
TOTAL	<u>\$10,887,307*</u>

* These amounts are approximate. At the release date of this letter, portions of certain of the individual County disallowances listed above were still being contested.

CLOSED FEDERAL AUDITS

Programs Administered by the
U.S. Department of Health and Human Services

ID	Audit/ Review	Audit	State/County	Exception	Records	***Record	
Number	Description	Period(1)	Agency	** Affected	Amount	Required to Be Retained	Destruction Date**
PUBLIC ASSISTANCE RECORDS:							
116013	*Nationwide Study of Multi-Ethnic Placement Act (MEPA)Implementation	10/01/95-09/30/97	GAO	CDSS; Alameda and San Diego Counties	\$ NA (See GAO/HEHS-98-204 issued 9-14-98)	A	09/14/99
106614	*Study of Temporary Assistance For Needy Families (TANF) Implementation	10/01/96-12/31/97	GAO	CDSS; Fresno, Santa Clara, & San Bernardino	\$ NA (See GAO/HEHS-98-109 issued 6-18-98)	C	06/18/99
108330	*Study of Quality of Residential Care For Elderly	10/01/96-09/30/97	GAO	CDSS; and 5 Care Facilites in Sacramento & Bay Area Co s.	\$ NA (See GAO/HEHS-99-27 issued 4-26-99)	A	04/26/00
105821	Review of CA Foster Care Placements in Out-of-State Facilities	10/01/92-09/30/94	GAO	All Counties	Effectd Counties Submitted Corrected Claims (12/31/97)***	A & B	12/31/00
A-09- -93- 00106	PR/PM Review of California's Refugee-RSS & TA Programs	10/01/91-09/30/92	HHS- OIG	Los Angeles	\$ 19,100 (06/03/97)***	A & I	05/31/00

- (1) If a single date is listed, it will be the date of the audit report.
- A Case records selected for audit/review; audit-related materials (e.g., county policy, procedures, correspondence, memoranda, etc. pertinent to the audit/review).
- B Pertinent Assistance Claims; supporting documentation; audit-related materials.
- C Pertinent Administrative Expense Claims; supporting documentation, audit-related materials.
- I Pertinent Refugee and Entrant Program Reports, supporting documentation and audit-related materials.
- * New since ACL 98-38.
- ** These records may be flagged for destruction on the date shown.
- *** Date Federal adjustment completed.

CLOSED FEDERAL AUDITS

Programs Administered by the
U.S. Department of Health and Human Services and
by the U.S. Department of Agriculture

ID Number	Description	Audit/ Review Period(1)	Audit Agency	State/County Agencies **Affected	Exception Amount	Records Required to Be Retained	***Record Destruction **Date**
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PUBLIC ASSISTANCE RECORDS:

IHSS Claims Pmt. Process; Internal Control Risks & Weaknesses	01/01/93- 03/31/94	SCO	Alameda Sacramento Sonoma	Mgmt Review No Dollar Amts. Identified. (8-31-96)***	A & K	08/31/99
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FOOD STAMP PROGRAM (FSP) RECORDS:

150283*FSP Database Match To Determine Duplicate Issuance In Four State	01/01/96- 12-31-96	GAO	All Counties	NA	A & E	12/31/99
27401 *Nationwide -2-SF Financial Statement Audit for FFY 1996	10/01/95- 09/30/96	USDA -OIG	Los Angeles	Mgmt Review; No Dollar Amts. Identified	C & E	12/31/99
27601-*National FSP 01-SF Financial Statement Audit for FFY 1997	10/01/96- 09/30/97	USDA -OIG	Alameda, Los Angeles, Orange & San Bernardino Counties	NA	C & E	12/31/99

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- (1) If a single date is listed, it will be the date of the audit report.
- A Case records selected for audit/review; audit-related materials (e.g., county policy, procedures, correspondence, memoranda, etc. pertinent to the audit/review).
- C Pertinent Administrative Expense Claims; supporting documentation, audit-related materials.
- E Pertinent Food Stamp Program reports [e.g., F S 46, 209, 250, 259, etc.]; supporting documentation; audit-related materials.
- K Fiscal/financial claims, records, contracts, agreements, reports, etc., which pertain to the audit.
- * New since ACL 98-38
- ** These records may be flagged for destruction on the date shown.
- *** Date Federal disallowance withdrawn or adjustment completed.

CLOSED FEDERAL AUDITS

Programs Administered by the
U.S. Department of Agriculture

ID Number	Description	Audit/ Review Period(1)	Audit Agency	State/Co. Agencies **Affected	Exception Amount	Records Required to Be Retained	***Record Destruction **Date**
FOOD STAMP PROGRAM (FSP) RECORDS:							
150273	*Nationwide Match/ FSP Database with Expired SSA Beneficiaries Database	01/01/95 12/31/96	GAO	Los Angeles Orange San Diego	Management Review; No Disallowances GAO/RCED-98-53 issued 2/11/98)	A & E	12/31/99
150259	Extent that Incarcerated Persons are Participating in the Food Stamp Pgm.	10/01/95- 12/31/95	GAO	Los Angeles	Management Review; No Disallowances (03/10/00)***	A & E	03/09/00
27400- 2-SF	Audit of CA's FSP Financial Statement For FFY 1994	10/01/93- 09/30/94	USDA- OIG	Butte Los Angeles Placer San Benito Santa Cruz Shasta Sonoma	\$ 1,740 (12/31/96)***	E	12/31/99
27099- 29-SF	ER Food Stamp Pgm/ Northridge Earthquake	01/01/94- 06/30/94	USDA- OIG	Los Angeles	\$ 57,849 (12/31/96)***	A & E	12/31/99

- (1) If a single date is listed, it will be the date of the audit report.
- A Case records selected for audit/review; audit-related materials (e.g., county policy, procedures, correspondence, memoranda, etc. pertinent to the audit/review).
- E Pertinent Food Stamp Program reports [e.g., F S 46, 209, 250, 259, etc.]; supporting documentation; audit-related materials.
- * New since ACL 98-38
- ** These records may be flagged for destruction on the date shown.
- *** Date Federal adjustment completed

COUNTY EXPENSE CLAIMS (CEC)
COST VALIDATION AUDITS AND REVIEWS

Attachment IV lists unresolved CEC COST VALIDATION AUDITS (CVA) performed by the State Controller's Office prior to December 31, 1991 and CEC COST VALIDATION REVIEWS (CVR) performed by the CDSS – Fiscal Monitoring Unit after July 1, 1992. Total amounts are cited for all audit exceptions in the CVA reports. However, total exception amounts are not specified in CVR reports because in many instances, the county determines the total cost.

Separate lists exist for each stage of resolution. Please see notes at the beginning of each list.

The county must retain pertinent county expense claims (CEC) and supporting documentation for the audit periods noted below. Supporting documentation includes whatever records are necessary to support costs posted on the CEC, and which directly or indirectly relate to all exceptions/questioned costs identified in the reports.

IV. A FINAL REPORT ISSUED

At this stage, field work has been completed and a final report has been released identifying exceptions/questioned costs. There are no CVA's or CVR's reports in this category as of 4/15/99.

IV. B PROTEST PENDING

At this stage, a final report has been issued, a protest has been filed by the affected county and a final protest decision is still pending clarification from the Department of Health and Human Services.

<u>COUNTY</u>	<u>REVIEW AGENCY</u>	<u>REVIEW PERIOD</u>	<u>DATE OF REPORT</u>	<u>AMOUNT OF REPORT</u>
* LADPSS	CDSS	08/12/96 - 08/30/96	01/07/97	Unspecified

* New since ACL 98-38.

CEC Cost Validation Audits and Reviews

IV. C APPEAL FILED; HEARING PENDING

At this stage, an appeal has been filed by the affected Counties, but all appealed issues have not yet been formally heard as of the release date of this ACL. There are no CVR's and CVA's in this category as of 04/15/99.

IV. D APPEAL HEARD; DECISION PENDING

At this stage, a formal hearing has been completed for one or more of exceptions and questioned costs, but a final appeal decision is still pending. There are no CVA's or CVR's in this category as of 04/15/99.

IV E. EXCEPTIONS HELD FOR APPLICATION

At this stage, the exceptions have been sustained but are pending development of an approved application methodology. Decision letters have been issued and none of the exceptions/questioned costs have been appealed. There are no CVA's or CVR's in this category as of 04/15/99.

IV. F EXCEPTIONS IN APPLICATION

At this stage, actions are being taken to adjust claims so that there will be a proper State, County, and Federal share of costs claimed and to collect or pay any amounts due. After all State and County adjustments have been applied, these CVA's and CVR's will be transferred to the "Applied" list and a record destruction date will be assigned after the final state expenditure report implementing the appeal decision is sent to the DHHS.

<u>COUNTY</u>	<u>REVIEW AGENCY</u>	<u>REVIEW PERIOD</u>	<u>DATE OF REPORT</u>	<u>AMOUNT OF REPORT</u>
* ALAMEDA	CDSS	07/93 - 09/95	12/20/96	UNSPECIFIED
* COLUSA	CDSS	06/95 QUARTER	06/24/97	UNSPECIFIED
* KERN	CDSS	12/93 - 03/95	12/20/95	UNSPECIFIED
* SAN DIEGO	CDSS	06/93 - 12/95	07/02/96	UNSPECIFIED
* VENTURA	CDSS	03/95 - 06/95	01/10/97	UNSPECIFIED

* New since ACL 98-38.

CEC Cost Validation Audits and Reviews

IV. F EXCEPTIONS IN APPLICATION (CONTINUED)

<u>COUNTY</u>	<u>REVIEW AGENCY</u>	<u>REVIEW PERIOD</u>	<u>DATE OF REPORT</u>	<u>AMOUNT OF REPORT</u>
* SOLANO	CDSS	06/95 QUARTER	12/30/96	UNSPECIFIED
* LOS ANGELES	CDSS	12/95 – 03/96	07/09/97	UNSPECIFIED
* RIVERSIDE	CDSS	12/95 QUARTER	04/14/95	UNSPECIFIED
* TULARE	CDSS	06/96 QUARTER	11/16/95	UNSPECIFIED

IV. G EXCEPTIONS CLEARED/APPLIED

At this stage, all necessary State and County adjustments have been applied and the final state expenditure report implementing the audit exceptions has been sent to the DHHS. Destruction dates for records pertinent to these CVA's and CVR's are specified below.

<u>COUNTY</u>	<u>AUDIT AGENCY</u>	<u>AUDIT PERIOD</u>	<u>RECORD DESTRUCTION DATE **</u>
BUTTE	CDSS	09/94 QUARTER	09/08/02
CONTRA COSTA	SCO	07/77-06/79	08/21/02
CONTRA COSTA	SCO	07/79-06/80	08/21/02
CONTRA COSTA	SCO	07/80-06/83	08/21/02
DEL NORTE	CDSS	06/92 QUARTER	11/18/99
EL DORADO	CDSS	03/94 QUARTER	09/15/02
FRESNO	CDSS	03/94 QUARTER	01/31/02
LOS ANGELES ADOPTIONS	SCO	07/79-06/82	02/08/02
LOS ANGELES ADOPTIONS	SCO	07/82-09/84	02/08/02
LOS ANGELES BHI	SCO	07/69-06/75	02/08/02

* New since ACL 98-38.

CEC COST VALIDATION AUDITS AND REVIEWS

IV. G EXCEPTIONS APPLIED (CONTINUED)

<u>COUNTY</u>	<u>AUDIT AGENCY</u>	<u>AUDIT PERIOD</u>	<u>RECORD DESTRUCTION DATE **</u>
LOS ANGELES BHI	SCO	07/69-06/76	02/08/02
* LOS ANGELES DPSS	SCO	07/86-06/88	06/16/02
* LOS ANGELES DPSS	SCO	07/85-06/88	06/12/02
* LOS ANGELES DPSS	SCO	07/76-06/77	06/10/02
* LOS ANGELES DPSS ADMINISTRATIVE	SCO	07/77-06/80	06/10/02
* LOS ANGELES DPSS ADMINISTRATIVE	SCO	07/80-06/82	08/21/02
* LOS ANGELES DPSS ADMINISTRATIVE	SCO	07/82-06/84	11/18/02
* LOS ANGELES DPSS ADMINISTRATIVE	SCO	07/84-06/86	06/12/02
* MENDOCINO	CDSS	06/94-06/96	09/17/00
ORANGE	SCO	07/79-06/81	08/21/02
ORANGE	SCO	07/85-06/88	08/21/02
ORANGE	CDSS	09/93 QUARTER	02/22/02
PLACER	CDSS	12/91 QUARTER	11/18/99
SACRAMENTO DHA	CDSS	10/92 – 12/94	08/01/00
SACRAMENTO DHA	CDSS	07/93 – 06/94	02/21/00
SACRAMENTO DHHS	CDSS	03/94 QUARTER	10/31/02

* New since ACL 98-38. ** These records may be flagged for destruction on the date shown.

CEC COST VALIDATION AUDITS AND REVIEWS

IV. G EXCEPTIONS APPLIED (CONTINUED)

<u>COUNTY</u>	<u>AUDIT AGENCY</u>	<u>AUDIT PERIOD</u>	<u>RECORD DESTRUCTION DATE **</u>
SAN DIEGO	CDSS	01/93 – 03/95	10/11/00
SAN FRANCISCO	CDSS	12/93 QUARTER	10/24/00
SAN FRANCISCO	CDSS	09/95 QUARTER	09/13/98
SAN JOAQUIN	CDSS	01/93 – 03/95	05/30/00
* SHASTA	SCO	10/77-06/80	10/30/02
* SHASTA	SCO	07/80-06/85	7/13/02
* SHASTA	SCO	07/85-06/88	7/11/02
* SOLANO	CDSS	10/93 – 12/95	10/30/00
STANISLAUS	CDSS	01/93 – 03/95	10/11/00
TULARE	SCO	07/81-06/85	04/13/02
TULARE	SCO	07/85-06/87	04/13/00
TULARE	CDSS	10/91-12/94	06/26/00
TULARE GAIN	CDSS	04/93-06/95	08/11/00
VENTURA	CDSS	04/93-/6/95	06/23/00
YOLO	CDSS	09/94 QUARTER	02/24/00

* New since ACL 98-38. ** These records may be flagged for destruction on the date shown.

IMPORTANT NOTICE!

AS OF ACL 96-47, THIS SECTION, ATTACHMENT V - COURT CASES, HAS BEEN REVISED. NEW AND PENDING COURT CASES (FORMERLY SECTION B) WILL NOW BE LISTED IN SECTION A. COURT CASES IN WHICH FINAL JUDGEMENTS HAVE BEEN ISSUED (FORMERLY SECTION A) ARE NOW LISTED IN SECTION B. CLOSED, DISMISSED, OR SETTLED COURT CASES WILL CONTINUE TO BE LISTED IN SECTION C. IN MOST INSTANCES, AS COURT CASES PROGRESS, THEY WILL INITIALLY APPEAR IN SECTION A, THEN MOVE TO SECTION B, AND, FINALLY, TO SECTION C. ADDITIONALLY, THE HEADINGS AND DESCRIPTIONS IN SECTIONS A, B AND C HAVE BEEN REVISED.

ATTACHMENT V
PAGE 1 OF 3
STATUS AS OF 07/01/99

COURT CASES

A. NEW COURT CASES AND PENDING COURT CASES

The following new court cases and pending court cases require extended public assistance case records retention as indicated.

<u>COURT CASE</u>	<u>REFERENCE FSD#</u>	<u>REFERENCE ACL#</u>	<u>REFERENCE ACIN#</u>	<u>PROGRAM COVERED</u>	<u>PERIOD OF RECORDS COVERED</u>
<u>Bass v. Anderson</u>		98-33		Foster Care	4/1/92 to 5/15/98
<u>Lopez v. Espy</u>	CFL 98/99-13			Food Stamps	7/30/93 to 9/1/96
<u>Miller v. Woods</u> and <u>Community</u> <u>Services for</u> <u>the Disabled v.</u> <u>Woods</u> (and payment to spouses: <u>WRO v.</u> <u>McMahon</u>)		84-58 90-48	I-37-84	IHSS	11/12/78 to Present
<u>Miller, et.al. v.</u> <u>Carlson</u>		91-89 91-114 92-61 92-102 93-20		GAIN, CalWorks, NET	6/7/91 to Present
<u>Tyler v.</u> <u>Anderson</u>				IHSS	1/1/78 to Present
<u>Aktar v.</u> <u>Anderson</u>			I-24-96	Food Stamps	7/31/92 to 5/1/96
<u>Andre y eva v.</u> <u>Anderson</u>				CalWorks	11/1/96 to 12/31/97

SEE "IMPORTANT NOTICE" AT TOP OF ATTACHMENT V, PAGE 1

ATTACHMENT V

Page 2 of 3

Status as of 07/01/99

B. COURT CASES IN WHICH A FINAL JUDGEMENT HAS BEEN ISSUED

A final judgement has been issued in the following court cases. All public assistance case records previously retained for these court cases may now be destroyed except for those which were used in the determination of eligibility, or ineligibility.

NOTE: Public assistance case records associated with these court cases must be retained only for those recipients who filed a claim and did so within the claiming period established by the court. If a claim was not filed within this period the case record need not be retained beyond the general retention requirements for public assistance case records specified in this All-County Letter.

<u>COURT CASE</u>	<u>REFERENCE FSD#</u>	<u>REFERENCE ACL#</u>	<u>REFERENCE ACIN#</u>	<u>PROGRAM COVERED</u>	<u>PERIOD OF RECORDS COVERED</u>
<u>Yslas v.</u> <u>McMahon</u>		90-70 92-03 94-110	I-67-92	GAIN	10/18/87 to 9/30/93
<u>CCWRO v.</u> <u>McMahon</u>		92-03 94-109		GAIN, AFDC	7/1/85 to 10/1/90
<u>Hang v.</u> <u>McMahon</u>				GAIN	10/29/89 to 2/28/95
<u>Jacobson v.</u> <u>McMahon</u>		90-68 91-56 92-03 93-37	I-41-91 I-67-92	GAIN	5/9/87 to 8/28/93
<u>Crory v.</u> <u>McMahon</u>		90-86 91-24 92-03 92-51	I-14-91	GAIN	12/1/86 to 3/31/91
<u>Vang v. Healy</u>				Food Stamps	4/1/89 to 4/30/92

SEE "IMPORTANT NOTICE" AT TOP OF ATTACHMENT V, PAGE 1

ATTACHMENT V

Page 3 of 3

Status as of 07/01/99

C. CLOSED, DISMISSED OR SETTLED COURT CASES

The following court cases have been closed, dismissed or settled. There is no longer a need to retain public assistance case records related to these court cases except in accordance with the general retention requirements for public assistance case records specified in this All-County Letter.

<u>COURT CASE</u>	<u>REFERENCE FSD#</u>	<u>REFERENCE ACL#</u>	<u>REFERENCE ACIN#</u>	<u>PROGRAM COVERED</u>	<u>PERIOD OF RECORDS COVERED</u>
<u>Welch v.</u> <u>Anderson</u>				CalWorks	12/1/92 to 5/30/96
<u>Ortega v.</u> <u>Anderson</u>		97-30		CalWorks	9/1/95 to 12/1/97

FEDERAL SAMPLE QUALITY CONTROL SANCTION PROCESS NOT COMPLETED 1/

<u>Federal Fiscal Year (FFY)</u>	<u>Programs</u>	<u>Affected Counties*</u>
1995	AFDC	All
1996	AFDC	All
1997	Food Stamps	All
1998	Food Stamps	All

1/ Beginning with FFY 1997, there will be no federal fiscal sanctions based on quality control error rates in the AFDC/TANF Program.

* Counties with federal QC sample error cases. These cases should be retained until the federal sanction process is completed. Counties will be notified of the resolution dates.